COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENTUCKY-AMERICAN WATER COMPANY FOR AN ADJUSTMENT OF RATES

CASE NO. 92-452

O R D E R

On May 24, 1993, Chetan Talwalkar, an intervenor, filed a motion, attached hereto as Appendix A, requesting the Commission to request: 1) the Kentucky Natural Resources and Environmental Protection Cabinet to provide testimony on future water withdrawals from the Kentucky River and chloramine chemistry; 2) the Louisville Water Company to provide financial, rate, and statistical operating information; and 3) the Kentucky River Authority to provide copies of its records.

Based on the motion and being advised, the Commission hereby finds that the parties to this case and the entities named in the motion should have an opportunity to provide a response thereto.

IT IS THEREFORE ORDERED that any responses to Talwalkar's May 24, 1993 motion shall be filed by June 4, 1993.

Done at Frankfort, Kentucky, this 25th day of May, 1993.

PUBLIC SERVICE COMMISSION

ATTEST:

) has two

Executive Director

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION RECEIVED

IN CASE NO. 92-452 DATED 5/25/93

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

MAY 24 1993

PUBLIC SERVICE COMMISSION

In the Matter of:

| APPLICATION OF KENTUCKY-AMERICAN WATER COMPANY FOR AN ADJUSTMENT OF RATES |) | CASE | NO. | 92-452 |
|---|------|------|-----|--------|
| MOTION BY CHETAN TALWAL | .KAR | | | |

Because case number 92-452 involves consideration of the Lexington-to-Louisville treated-water pipeline proposed by Kentucky-American Water Company, henceforth "KAWC", and because the issues associated with the need for, and operation of, such a pipeline are so complex, I hereby move the Public Service Commission, henceforth "Commission", to request the Kentucky Natural Resources and Environmental Protection Cabinet's Division of Water to provide witnesses who will be able to testify about the following topics:

- 1. Assumptions and results of Harza Engineering's Reservoir/River Basin Yield model used to generate the November, 1992 Source of Supply study
- 2. Flow characteristics of the Kentucky River
- 3. Federal regulatory trends and pending rules, regulations, and guidelines
- 3. Chloramine chemistry, specifically the issues dealt with in the 1983 Metropolitan Water District report used by Kentucky-American to determine the feasible minimum flow rates through the proposed pipeline, and any subsequent research on the matter that has since occurred.

This information will provide unbiased expertise to the Commission on technical matters crucial to this case.

I further move that, because my informal requests for information have not been answered, the Commission request of the Louisville Water Company (LWC) replies to the following questions:

- 1. What rate of return has the LWC provided the city of Louisville over the period 1987-1992, inclusive, and what dividends were paid during this period?
- 2. What is LWC's 10-year rate history, and its current rate schedule?
- 3. What was the average and peak day pumpage from LWC's Payne Plant from 1987 to 1992?

4. Please provide information about LWC's production plant(s), for example, schematic of plant, treatment process, capacity, etc.

I further move that, in the event such information is not provided within seven working days of the Commission's request, the Commission issue subpoenas to Mr. Vince Guenthner, of the LWC Public Relations Department, or any other officers of the Louisville Water Company able to provide this information in full.

I further move that the records of the Kentucky River Authority be entered into the records of case number 92-452. Because the actions discussed by the authority will greatly affect the future yield of the Kentucky River, it is of some importance that the Commission be aware of the deliberations of that body before it rules in case number 92-452.

Respectfully submitted,

Chetan Talwalkar 581 Stratford Drive Lexington, KY 40503

(606) 278-5855